

Message Text

UNCLASSIFIED

PAGE 01 BANGKO 20892 030654Z

11

ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 AID-05

COME-00 EB-07 FRB-01 TRSE-00 XMB-04 OPIC-06 CIEP-02

LAB-04 SIL-01 OMB-01 /097 W
----- 107089

R 030519Z OCT 75

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 2214

INFO DIA WASHDC

AMCONSULATE UDORN

AMCONSULATE CHIANG MAI

COMUSMACTHAI BANGKOK

CINCPAC HONOLULU

UNCLAS BANGKOK 20892

E.O. 11652: N/A

TAGS: PGOV PINT TH

SUBJ: STATUS OF THE BUDGET BILL

CINCPAC FOR POLAD

REF A) BANGKOK 18703 B) BANGKOK 15702

SUMMARY: THE BUDGET BILL THAT CAME OUT OF THE PARLIAMENT'S BUDGET REVIEW COMMITTEE RESEMBLED IN LARGE PART WHAT THE GOVERNMENT HAD ORIGINALLY PROPOSED. THE COMMITTEE CUT 817 MILLION BAHT (US\$40.9 MILLION) FROM THE BUDGET OF 62.55 BILLION BAHT (US\$3.13 BILLION) BUT REALLOCATED THE EXACT AMOUNT FOR OTHER PURPOSES. DESPITE THREATS BY PARTIES WITHIN THE GOVERNMENT COALITION TO VOTE AGAINST THE BILL UNLESS THEY ARE SATISFIED WITH THE NEW CABINET ALIGNMENT, THE EMBASSY BELIEVES THAT THE BUDGET WILL PASS BOTH HOUSES WITH LITTLE DIFFICULTY. END SUMMARY.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BANGKO 20892 030654Z

1. THE PARLIAMENT'S BUDGET REVIEW COMMITTEE COMPLETED CONSIDERATION OF THE BUDGET BILL ON SEPTEMBER 26. THE BILL IS NOW BEING PREPARED FOR THE SECOND READING IN THE EXTRAORDINARY SESSION OF THE PARLIAMENT WHICH IS SCHEDULED TO OPEN ON OCTOBER 6. THIS GIVES THE LOWER HOUSE ONE WEEK TO CONSIDER THE BILL BEFORE THE 90 DAY CONSTITUTIONAL LIMIT FOR CONSIDERATION OF THE BILL EXPIRES ON OCTOBER 13. IF IT HAS NOT FINISHED CONSIDERATION OF THE BILL BY THEN, THE CONSTITUTION ASSUMES AUTOMATIC LOWER HOUSE APPROVAL AND THE BILL THEN GOES TO THE SENATE. MEMBERS OF THE HOUSE HAVE RESERVED THE RIGHT TO PROPOSE OVER 200 AMENDMENTS TO THE BILL. CHALOEMCHAI WASINON, THE REVIEW COMMITTEE SPOKESMAN, SAID THAT THE MAJORITY OF THE PROPOSED AMENDMENTS CONCERNED THE FREE BUS SERVICE PLAN AND THE 3.5 BILLION BAHT (US\$175 MILLION) TAMBON IMPROVEMENT PLAN.

2. THE BILL WHICH EMERGED FROM THE REVIEW COMMITTEE MIRRORED IN LARGE PART WHAT THE GOVERNMENT HAS PROPOSED. A REVIEW OF THE BILL VOTED OUT BY THE BUDGET REVIEW COMMITTEE SHOWS THAT IT CUT ABOUT 818 MILLION BAHT (US\$40.9 MILLION) FROM THE BUDGET, ONLY TO REALLOCATE THE IDENTICAL SUM FOR OTHER PURPOSES. IN DOING SO THE COMMITTEE REJECTED THE GOVERNMENT'S REQUEST FOR AN ADDITIONAL 700 MILLION BAHT (US\$35 MILLION). THE MAJOR CUTS WERE 187 MILLION BAHT (US\$9.3 MILLION) FROM THE BUDGET OF THE MINISTRY OF DEFENSE (MOD), WHICH HAD BEEN PROGRAMMED FOR THE CONSTRUCTION OF HOUSING; AND 367 MILLION BAHT (US\$ 18.9 MILLION) FROM THE MINISTRY OF COMMUNICATION PROGRAMMED IN LARGE PART FOR FREE BUS TRANSPORTATION AND THE PURCHASE OF LAND FOR AIRFIELDS AND HIGHWAYS. THE MAJOR REALLOCATIONS WERE 230 MILLION BAHT (US\$11.5 MILLION) FOR THE MOD TO INCREASE THE PER DIEM OF SOLDIERS; 273 MILLION BAHT (US\$13.7 MILLION) FOR THE MINISTRY OF INTERIOR (MOI) FOR VARIOUS PUBLIC WORKS PROJECTS AND THE TAMBON AND VILLAGE HEADMEN ELECTIONS; AND 125 MILLION BAHT (US\$6.25 MILLION) FOR THE MINISTRY OF EDUCATION. THE TOTAL EXPENDITURE IS EXPECTED TO BE 62.65 BILLION BAHT (US\$3.13 BILLION) WITH EXPECTED REVENUES OF 48.7 BILLION BAHT (US\$2.44 BILLION). THE DEFICIT WILL BE COVERED BY LOANS, OR BY DIPPING INTO GOV'T RESERVES.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BANGKO 20892 030654Z

3. ACCORDING TO SECTION 154 OF THE CONSTITUTION, AFTER THE BILL HAS PASSED THE LOWER HOUSE, THE SENATE MUST APPROVE OR DISAPPROVE THE BILL WITHIN FIFTEEN DAYS FROM THE DATE THE BILL REACHES THE SENATE. IF THE SENATE DISAPPROVES, THE LOWER HOUSE CAN OVERRIDE THE SENATE BY A MAJORITY VOTE.

4. COMMENT: DURING THE FIERCE IN-FIGHTING PRECEDING THE EXPECTED CABINET RESHUFFLE, SOME OF THE PARTIES WHICH MAKE UP THE GOVERNMENT COALITION HAVE THREATENED TO VOTE AGAINST THE BUDGET BILL UNLESS THE COMPOSITION OF THE NEXT CABINET IS TO THEIR LIKING. KHUKRIT EVIDENTLY DOES NOT TAKE THESE THREATS SERIOUSLY SINCE HE HAS CONSISTENTLY MAINTAINED THAT HE WILL NOT RESHUFFLE THE CABINET UNTIL AFTER THE PASSAGE OF THE BUDGET BILL. THE CONSTITUTIONAL DEADLINE AND THE DREAD OF ELECTIONS AT THIS TIME WORK TO HIS ADVANTAGE. THE EMBASSY STILL EXPECTS THE BUDGET BILL TO PASS BOTH HOUSES WITH LITTLE TROUBLE.
MASTERS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BUDGET, LEGISLATIVE BILLS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BANGKO20892
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750343-0637
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751085/aaaacxvq.tel
Line Count: 128
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 BANGKOK 18703, 75 BANGKOK 15702
Review Action: RELEASED, APPROVED
Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 09 OCT 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 OCT 2003 by MaustMC>; RELEASED <09 OCT 2003 by MaustMC>; APPROVED <17 FEB 2004 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: STATUS OF THE BUDGET BILL CINCPAC FOR POLAD
TAGS: PGOV, PINT, TH
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006